



TEMPORARY ASSISTANCE FOR NEEDY FAMILIES REAUTHORIZATION (TANF)

IMPACTS ON WISCONSIN WORKS

Prepared by DWD/DWS/BW-2

June 2006



TANF Reauthorization

- Deficit Reduction Act of 2005 (DRA)
- Extended TANF Block Grant Funding through September 30, 2010
- Current State Funding Levels Maintained
- Eliminated High Performance Bonus
- Added Healthy Marriage and Responsible Fatherhood Grants



TANF Reauthorization

- Requires Health and Human Services to Issue Regulations by June 30, 2006
 - Define What Activities Count as Work
 - Uniform Methods for Reporting Hours of Work
 - Documentation Needed to Verify Reported Hours of Work
 - Define Which “Parents” in Child Only Cases to Include in Work Participation Rates



TANF Reauthorization

- Adds individuals in Separate State Programs to Work Participation Requirements
- Maintains Original Work Participation Rates
 - All Families
 - 50%
 - Two Parent Families
 - 90%
- Maintains Definition of Who is Included in Work Participation Rates
 - CSJs, W-2 Ts and some CMCs



TANF Reauthorization

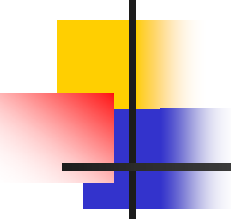
- Changes Caseload Reduction Credit Base Year from 1995 to 2005
- Requires States to Establish and Maintain Work Participation Verification Procedures
- Imposes Penalties on States for Failing to Establish or Comply with Work Participation Verification Procedures



TANF Caseload Reduction Credit

- Starting in October 2006, each state's required work participation rate is reduced by the percentage of caseload decrease from average monthly caseload during FFY 2005 (October 2004 – September 2005).
- Current Caseload Reduction Estimate for Wisconsin is:
 - All Families 11%
 - Two Parent Families 33%

Current TANF Core Work Activities and W-2

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- Unsubsidized Employment
 - Working Full Time
 - Working Part Time
 - Subsidized Private Sector/
Public Sector Employment
 - Trial Jobs
 - Work Experience
 - Work Experience
 - On-the-Job Training
 - Community Service Programs
 - Caring for a Disabled Family Member
 - Caring for a Disabled Child
 - Vocational Educational Training
 - Technical College
 - Providing Child Care to
Individuals in Community
Service Programs
 - No related W-2 Activity

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Current TANF Core Work Activities and W-2 (cont.)

- Job Readiness and Job Search Assistance
 - Disability Assessment
 - Occupational Testing
 - Personal Development
 - MH Counseling
 - Employment Search
 - Up-front Employment Search
 - Job Readiness/Motivation
- Up-front Job Readiness/Motivation
- MH Assessment
- AODA Assessment
- DV Assessment and Supportive Services
- Physical Rehabilitation
- Parenting and Life Skills
- Physicians Assessment



Current TANF Non-Core Work Activities and W-2

- Job Skills Training (Directly Related to Employment)
 - Career Advancement Services
 - Drivers Education
 - Job Retention Services
 - Mentoring
 - ESL
 - Job Skills Training
 - ABE
 - Literacy Skills Training
- Education Directly Related to Employment (for Individuals with No HS Diploma or Equivalent)
 - ABE
 - Literacy Skills Training
- Satisfactory School Attendance
 - GED
 - HSED
 - Regular School



W-2 Activities Not TANF-Related

- Housing-Related Activities
- Court-Related/Legal Appointments
- Ongoing Medical
- Personal Care/Self Care
- SS(D)I Advocacy/Application



W-2 Participation Requirements

- Community Service Jobs (CSJ)
 - Up to 30 Hours in Work Activities
 - Up to 10 Hour in Education & Training Activities
- W-2 Transition (W-2 T)
 - Up to 28 Hours in Work Activities
 - Up to 12 Hours in Education & Training Activities



Participation Requirements

Single Parent - Youngest Child < 12 Mos.

W-2 Requirement

- Parents with infant under 12 weeks of age have no participation requirements.
- When child reaches 12 weeks, participation is based on W-2 placement.

Federal Requirement

- No participation Requirements.

February 2006 Caseload Data – Single Parent
Child Under 12 Months

<u>W-2 T</u>	<u>CSJs</u>	<u>TJB</u>	<u>CMC</u>	<u>Unpaid</u>	<u>Total</u>
242	752	7	1,324	601	2,926



Participation Requirements

Teen Parent – No High School

W-2 Requirement

- 18 and 19 year olds with no HS diploma can meet some or all of requirements through participation in HS courses or equivalent.

Federal Requirement

- Maintain satisfactory school attendance.

February 2006 Caseload Data –
Teen Parent No High School

<u>W-2 T</u>	<u>CSJs</u>	<u>TJB</u>	<u>Unpaid</u>	<u>Total</u>
34	220	1	23	278



Participation Requirements

Single Parent - Youngest Child Age 1-6

W-2 Requirement

- Participation is based on W-2 placement.

Federal Requirement

- 20 hours per week.

February 2006 Caseload Data – Single Parent
Children Between Ages 1-6

<u>W-2 T</u>	<u>CSJs</u>	<u>TJB</u>	<u>Unpaid</u>	<u>Total</u>
1,365	1,066	9	984	3,424



Participation Requirements

Single Parent - Youngest Child Age 7-17

W-2 Requirement

- Participation is based on W-2 placement.

Federal Requirement

- 30 Hours Per Week; Not Fewer than 20 in Core Work Activities.

February 2006 Caseload Data –
All Other Single-Parent Cases

<u>W-2 T</u>	<u>CSJ</u>	<u>TJB</u>	<u>Unpaid</u>	<u>Total</u>
1,495	526	2	17	2,415



Participation Requirements Two Parent Cases

W-2 Requirement

- One parent participates up to 40 hours per week, not fewer than 30 Hours in work training activities.
- If receiving Federally Funded Child Care, second parent must also participate; Combined total hours must be 55.

Federal Requirement

- 35 hours per week; Not fewer than 20 in Core Work Activities.
- If Receiving Federally Funded Child Care, 55 hours per week; Not fewer than 50 in Core Work Activities.

February 2006 Caseload Data – Two Parent Cases

<u>W-2 T</u>	<u>CSJ</u>	<u>TJB</u>	<u>CMC</u>	<u>Unpaid</u>	<u>Total</u>
63	210	11	10	201	495



Participation Requirements Vocational Education

W-2 Requirement

- Current W-2 Policy Provides Limited Opportunity
- Technical College

Federal Requirement

- Not more than 30% of cash assistance caseload



TANF Funding Breakdown in Wisconsin (FFY 06)

- Total TANF Block Grant \$314,499,400
- Transfer to SSBG \$ 13,240,500
- Transfer to CCDF \$ 62,900,000
- Wisconsin's MOE
Requirement (75%) \$167,266,694

Snapshot of How Funds are Spent

<u>TANF Funded</u>	<u>MOE Funded</u>	<u>Blended Funds</u>
<ul style="list-style-type: none">■ Kinship Care■ Caretaker Supplement■ Boys and Girls Clubs■ Earned Income Tax Credit■ CW Safety Services■ CW Prevent Services■ Milwaukee CW/WISACWIS	<ul style="list-style-type: none">■ Job Access Loans■ Children First■ Substance Abuse Services■ FS for Qualified Aliens■ Burials for TANF Eligible	<ul style="list-style-type: none">■ W-2 Benefits, Admin., Services■ Direct Child Care Subsidies (also uses CCDF)■ Emergency Assistance■ State Admin.



Reauthorization Penalties

- Minimum Work Participation Rate (No Change): Failure to satisfy minimum work participation rate results in 5% penalty the first year; Increases by 2% for each subsequent year. Requires increase to 80% MOE.
- Work Participation Verification Procedures: Failure to establish or comply with verification procedures results in penalty between 1% and 5% depending on severity of failure.



TANF Reauthorization Impact on W-2

- Work Participation for Paid Placements
- Scheduled vs. Actual Hours of Participation
- Develop Procedures for Verification of Work Participation
- Monitoring Implementation of Required Procedures
- Opportunity to better utilize Vocational Education



TANF Reauthorization Timeline

- HHS Regs – June 30, 2006
- Implement Regs – September 30, 2006
- Healthy Marriage and Responsible Fatherhood Grants – Applications due June 30 and July 3, 2006
- Penalties – 2008 Retroactive to FFY 2007